

WHAT IS CLAIMED IS:

1. A system for financing the acquisition of an asset or service, comprising:  
a plurality of groups  $G_1, \dots, G_k$  wherein, for  $i = 1$  to  $k$ , group  $G_i$  consists of  $m_i$  members, each of whom are contractually obligated to make a predetermined number of periodic payments to a common fund  $F_i$ ; and  
a managing entity which manages said plurality of groups;  
wherein, for each group, the managing entity allocates to members of the group, on a rotating basis and on  $d_i$  different dates, proceeds from the common fund  $F_i$  for the acquisition of assets or services, and wherein  $m_i > d_i > 0$ .
2. The system of claim 1, wherein each member of each group contracts to be allocated a predetermined amount of money, and wherein the total payments made by a member is proportional to the amount of money the member contracts to be allocated.
3. The system of claim 2, wherein each member of each group is allocated money exactly once.
4. The system of claim 1, wherein the amount of money a member of a group is allocated is a fixed percentage of the total payments made by that member.
5. The system of claim 1, wherein the managing entity allocates to a member of a group proceeds from the common fund for the acquisition of an asset, and wherein the managing entity retains a lien in the asset until the member makes all of the predetermined number of periodic payments.
6. The system of claim 1, wherein the predetermined number of periodic payments is the same for each member of a group.

7. The system of claim 1, wherein the predetermined number of periodic payments differs for at least two members of the same group in at least one of said plurality of groups.
8. The system of claim 1, wherein  $m_i/d_i > 1.5$ .
9. The system of claim 1, wherein  $m_i/d_i \geq 2$ .
10. The system of claim 1, wherein  $2 \leq m_i/d_i \leq 3$ .
11. The system of claim 1, wherein  $m_i > 100$ .
12. The system of claim 1, wherein  $100 < m_i < 300$
13. The system of claim 1, wherein  $m_i > 100$  and wherein  $m_i/d_i > 1.5$ .
101. A system for financing the acquisition of assets, comprising:
  - a group consisting of  $m$  members, each of whom is contractually obligated to make a predetermined number of periodic payments to a common fund; and
  - an entity which manages said group;
 wherein the managing entity allocates to members of the group, on a rotating basis and on  $d$  different dates, proceeds from the common fund for the acquisition of assets, and wherein  $m > d > 0$ .
201. A method for financing the acquisition of an asset or service for members of a group, comprising the steps of:
  - creating a group of associates, each of whom is contractually obligated to make payments on a first periodic basis to a common fund over a specified term in exchange for receiving an award in a contracted amount at some point during the term;
  - receiving payments from the group of associates; and

on a second periodic basis, identifying at least one associate who is eligible to receive an award, and distributing the award to that associate in an amount essentially equal to the amount contracted by that associate;  
wherein the number of associates in the group is  $x$ , wherein the average number of payments that an associate in the group is required to make is  $n$ , and wherein  $x/n > 1$ .

202. The method of claim 201, wherein  $x/n \geq 1.5$ .

203. The method of claim 201, wherein  $x/n \geq 2$ .

204. The method of claim 201, wherein  $2 \leq x/n \leq 3$ .

205. The method of claim 201, wherein the periods of the first and second periodic basis are essentially the same.

206. The method of claim 205, wherein the periods of the first and second periodic basis is monthly.

207. The method of claim 201, wherein the number of associates is within the range of about 200 to about 300, and wherein the average number of payments that an associate in the group is required to make is within the range of about 96 to about 120.

301. A method for financing the acquisition of an asset or service for members of a group, comprising the steps of:

creating a group of associates, each of whom is contractually obligated to make predetermined monthly payments to a common fund over a specified term in exchange for receiving an award in a contracted amount at some point during the term, wherein the number of associates is within the range of about 200 to about 300, and wherein the fixed term is within the range of about 96 to about 120 months;

receiving payments from the group of associates; and

on a monthly basis, identifying at least one associate who is eligible to receive an award, and distributing the award to that associate in an amount essentially equal to the amount contracted by that associate.

302. The method of claim 301, wherein the fixed term is different for at least two associates in the group.

303. The method of claim 301, wherein the contracted amount is different for at least two associates in the group.

304. The method of claim 303, wherein the fund is managed by a first organization, and wherein each associate pays the first organization a fixed percentage of the amount contracted by that associate as a registration fee.

305. The method of claim 303, wherein the fund is managed by a first organization, wherein the monthly payment made by each associate includes an administrative fee, and wherein the administrative fee is a percentage of the monthly payment increases with the contracted amount.

306. The method of claim 305, wherein the administrative fee is within the range of about 5.5 to about 7.5% of the monthly payment made by the associate.

307. The method of claim 301, wherein the monthly payment owed by an associate includes a component which is calculated by dividing the sum of the contracted amount and an actualization factor by the number of months in the term.

308. The method of claim 307 wherein, on a periodic basis, the contracted amount is increased by applying the actualization factor to the previous contracted amount.

309. The method of claim 308, wherein the periodic basis is essentially annual, and wherein the actualization factor is within the range of about 1 to about 5% of the contracted amount.

310. The method of claim 307, wherein the actualization factor reflects the increase in value of the asset or service being procured by the associate.

311. The method of claim 301, wherein the fund is managed by a first organization which takes out a life insurance policy on each associate, and wherein the monthly payment owed by an associate includes the prorated monthly cost of the life insurance premium.

312. The method of claim 301, wherein the fund is managed by a first organization which takes out a life insurance policy on each associate, and wherein the monthly payment owed by an associate includes a first component essentially equal to the prorated monthly cost of the life insurance premium, a second component which is essentially equal to the sum of the contracted amount and an actualization factor divided by the number of months in the term, and a third component which is essentially equal to an administrative fee that varies as a function of the contracted amount.

313. The method of claim 301, wherein the amount contracted by any associate is no more than about three times the amount contracted by any other associate.

314. The method of claim 301, wherein an associate is eligible to receive an award if the associate is not delinquent in any monthly payments.

315. The method of claim 301, wherein the distribution of rewards to associates commences no later than four months after the beginning of the term.

316. A computer program adapted to implement the method of claim 301, said program being disposed in a tangible medium.

401. A method for financing the acquisition of an asset or service for members of a group, comprising the steps of:

receiving payments from a group of  $x$  members over a fixed period of time  $t$  and on a periodic basis essentially given by  $t/n$ , wherein  $x$  and  $n$  are integers, and wherein  $x > n$ ; and

allocating funds, over the period of time  $t$ , on a rotating basis to the members of the group for the acquisition of assets or services.

402. The method of claim 401, wherein the asset is at least one asset selected from the group consisting of a home, a computer, a car, and a travel package.

403. The method of claim 401, wherein the asset is a home.

501. A method for financing the acquisition of an asset by an applicant through the procurement of credit from a creditor that has a set of underwriting criteria associated therewith that must be met in order for the creditor to advance money to the applicant, and wherein the applicant does not meet all of the underwriting criteria, the method comprising the step of enrolling the applicant in a rotating credit association (RCA), the RCA being adapted such that, through membership in the RCA, the applicant will meet, or come to meet, at least some of the underwriting criteria.

502. The method of claim 501 wherein, through his membership in the RCA, the applicant contracts to be allocated a predetermined amount of money in exchange for making a specified number of predetermined payments.

503. The method of claim 502, wherein the underwriting criteria permit the contract to be used as collateral for a loan from the creditor to the applicant.

504. The method of claim 501, wherein the underwriting criteria require a payment history of at least 12 consecutive payments on a financial obligation, and wherein this criteria is met by payments that the applicant is required to make to the RCA.

505. The method of claim 501, wherein the members of the RCA contract to be allocated a predetermined amount of money in exchange for making a predetermined number of payments, wherein the underwriting criteria require a specified amount of collateral, and wherein the contract entered into by members of the RCA qualifies as collateral under the underwriting criteria.

601. A method for qualifying an applicant for a loan from a lender having a set of underwriting criteria that must be met in order for the lender to loan money to the applicant, the method comprising the steps of:

referring the applicant to a rotating credit association (RCA) whose members contract to be allocated a predetermined amount of money in exchange for making a specified number of predetermined payments; and

using the applicant's participation in the RCA to meet at least some of the underwriting criteria.

602. The method of 601, wherein the RCA is affiliated with the lender.

603. The method of claim 601, wherein the RCA and the lender are commonly owned.

604. The method of claim 601, wherein the RCA is a subsidiary of the lender.

605. The method of claim 601, wherein the step of using the applicant's participation in the RCA to meet at least some of the underwriting criteria include the step of allowing the contract that the applicant enters into as a member of the RCA to be used as collateral for a loan from the lender to the applicant.

606. The method of claim 601, wherein the underwriting criteria require a payment history of at least 12 consecutive payments on a financial obligation, and wherein the step of using the applicant's participation in the RCA to meet at least some of the underwriting criteria include the step of using the applicant's payments to the RCA to meet the requirement of a payment history of at least 12 consecutive payments on a financial obligation.

607. The method of claim 601, wherein the lender loans money to the applicant after the applicant meets the underwriting criteria, and wherein the money is loaned in the form of a mortgage.

608. The method of claim 601, wherein the lender loans money to the applicant after the applicant meets the underwriting criteria, and wherein the money is loaned in the form of a credit card.

609. The method of claim 601, wherein the lender loans money to the applicant after the applicant meets the underwriting criteria, and wherein the money is loaned in the form of a line of credit.

701. A business affiliation, comprising:

a lender having a set of underwriting criteria that must be met in order for the lender to loan money to an applicant; and

a rotating credit association (RCA) affiliated with said lender and whose members contract to be allocated a predetermined amount of money in exchange for making a specified number of predetermined payments;

wherein an applicant's membership in the RCA enables him to qualify for a loan from the lender.



702. The affiliation of claim 701, wherein the underwriting criteria require a payment history of at least 12 consecutive payments on a financial obligation, and wherein this criteria is met by the payments that the applicant makes to the RCA.

801. A method for qualifying an applicant for a loan from a lender having a set of underwriting criteria that must be met in order for the lender to loan money to the applicant, the method comprising the steps of:

- providing a rotating credit association (RCA) affiliated with the lender whose members contract to be allocated a predetermined amount of money in exchange for making a specified number of predetermined payments;

- enrolling the applicant in the RCA; and

- using the applicant's participation in the RCA to meet at least some of the underwriting criteria.

901. A system for financing the acquisition of an asset, comprising:

- a creditor having a set of requirements associated therewith that must be met in order for the creditor to advance money to a debtor; and

- a rotating credit association (RCA) associated with the creditor, said RCA having a plurality of members that do not meet the set of requirements as of the date they become members of the RCA;

wherein the participation of the plurality of members in the RCA enables them to meet the creditor's requirements.